REMARKS

Claims 1-4, 6-15, 17-26, and 28-33 are pending in the application. Claims 1-33 stand rejected on prior art grounds. Claims 5, 16, and 27 have been canceled herein without prejudice or disclaimer. Claims 1, 6, 7, 11, 12, 17, 18, 22, 23, 28, 29, and 33 have been amended herein. Applicants respectfully traverse these rejections based on the following discussion.

I. The Claim Rejections

A. The Position in the Office Action

Claims 1-33 stand rejected under 35 U.S.C. 103(a) as being unpatentable over Huberman (U.S. Patent No. 6,047,274) in view of Johnson et al. (U.s. Patent No. 6,047,274) hereinafter referred to as "Johnson".

B. The Huberman Reference

Huberman teaches a system and method to enable and facilitate networked, automated, brokered auctioning of document services. A plurality of processes are executed, including a customer process representing a customer, a supplier process representing a supplier, and a broker process capable of serving as an intermediary between the customer and supplier processes. The broker process is provided with a description of a document service. Responsively to the description thus provided, an auction for the document service is conducted, as follows: a customer or supplier process submits a bid for the document service; the broker process receives bidding information including the submitted bid; the broker process attempts to establish a price for the document service responsively to the received bidding information and,

if a price can be established, establishes the price; if a price is established, the broker process proposes a transaction wherein the document service is to be provided at the established price; and if the proposed transaction is accepted, it can proceed automatically.

C. The Johnson Reference

Johnson teaches an auction service that stimulates competition between energy suppliers (i.e., electric power or natural gas). A bidding moderator (Moderator) receives bids from the competing suppliers of the rate each is willing to charge to particular end users for estimated quantities of electric power or gas supply (separate auctions). Each supplier receives competing bids from the Moderator and has the opportunity to adjust its own bids down or up, depending on whether it wants to encourage or discourage additional energy delivery commitments in a particular geographic area or to a particular customer group. Each supplier's bids can also be changed to reflect each supplier's capacity utilization. Appropriate billing arrangements are also disclosed.

D. Applicants' Response

As amended, the claimed invention is patentable over Huberman, whether taken alone, or in combination with Johnson. Specifically, the prior art of record does not disclose or make obvious "a method or computer system for bidding through a software agent...[wherein] bidding-related information received from said bidder includes one or more constraints selected from the group consisting of: a specified list of auctions to which the agent, without further recourse to said bidder, should restrict participation in; specified limits on the values of bids that can be placed by said agent, without further recourse to said bidder, in various auctions; a specified limit

on the number of simultaneously outstanding bids that said agent, without further recourse to said bidder, can have at any time; a specified limit on the sum of values of all simultaneously outstanding bids that said agent, without further recourse to said bidder, can have at any time; and a specified rule for determining at any time, whether said agent, without further recourse to said bidder, should place additional bids and, if so, in which auctions to place said additional bids," as claimed in amended claims 1, 11, 12, 22, 23, and 33. Such features are fully supported by the specification and drawings as originally filed and in particular are described on page 13, lines 12-13.

Specifically, there is no mention in Huberman about what constitutes bidding-related information. In fact, in Huberman (see col. 10, lines 6-21) it merely states that "In FIG. 3, customer process 210a generates a job request for a document service that is to be the subject of the auction (step A), specifying the particulars of the document service in appropriate detail. Customer process 210a can generate the request, for example, automatically in response to preprogrammed instructions or in response to events occurring in the marketplace, as well as in response to input received from the customer through a user interface. Optionally, customer process 210a can also specify a reservation price, that is, a maximum price that the customer authorizes to be paid at auction for the requested document service (step B). Alternatively, customer process 210a can specify a reservation price during the auction itself, or not at all. Customer process 210a communicates the document service job request along with any specified reservation price to broker process 230 via network 100 (step C)." Thus, there is no mention of the bidding-related information provided by the claimed invention.

Moreover, Huberman is similarly bereft of any language that indicates that the agent, without further recourse to the bidder, has the ability to act on behalf of the bidder during the

course of the auctions as well as the decisions to be made upon completion of one or more of the auctions the agent had been participating in. This is a significant feature of the claimed invention, which Huberman lacks, and the fact that Huberman lacks this feature is admitted in the Office Action (see page 3). Nonetheless, the Office Action concludes that it would have been obvious to combine the teachings of Johnson with Huberman to teach this feature.

However, upon closer scrutiny of Johnson it is clearly evident that the agent has no such authority or ability to act on behalf of the bidder for one simple reason: there is no agent in the method and system disclosed in Johnson, which is contrary to the claimed invention. In Johnson, the bidder acts alone and represents himself. Again, there is no agent to act on its behalf. Therefore, there is no agent in Johnson with the authority to perform the methods described in the claimed invention. Rather, in Johnson the bidder (energy suppliers) submits its bid(s) directly to the auction, which is conducted by a Moderator. Here, Moderator does not equate to Agent, because the agent in the claimed invention does not conduct the auctions. However, the Moderator in Johnson conducts the auctions, thus in essence, the Moderators in Johnson are the auctioning entity. Conversely, in the claimed invention the auctioning entity is one of many on-line auctions, and the agent is a separate entity from the auction(s). Thus, in Johnson when the energy supplier (bidder) is unsuccessful in its bid, the Moderator allows the bidder to decide whether it desires to re-bid. Again, there is no agent to act on the bidders behalf. Thus, Johnson teaches a wholly different aspect of auctioning (one in which there is direct bidding from a bidder). Therefore, it is legally impermissible to combine Johnson with Huberman because they teach away from one another; one uses direct bidding, the other does not. This is significant because it would not be logical to combine the method of Johnson with Huberman because they involve two separate auctioning processes. That is, one of ordinary skill in the art would not be

motivated to combine two distinct and mutually exclusive processes which solve separate and unique problems.

Insofar as references may be combined to teach a particular invention, and the proposed combination of Huberman with Johnson, case law establishes that, before any prior-art references may be validly combined for use in a prior-art 35 U.S.C. § 103(a) rejection, the individual references themselves or corresponding prior art must suggest that they be combined.

For example, in In re Sernaker, 217 U.S.P.Q. 1, 6 (C.A.F.C. 1983), the court stated: "[P]rior art references in combination do not make an invention obvious unless something in the prior art references would suggest the advantage to be derived from combining their teachings." Furthermore, the court in Uniroyal, Inc. v. Rudkin-Wiley Corp., 5 U.S.P.Q.2d 1434 (C.A.F.C. 1988), stated, "[w]here prior-art references require selective combination by the court to render obvious a subsequent invention, there must be some reason for the combination other than the hindsight gleaned from the invention itself. . . . Something in the prior art must suggest the desirability and thus the obviousness of making the combination."

In the present application, the reason given to support the proposed combination is improper, and is not sufficient to selectively and gratuitously substitute parts of one reference for a part of another reference in order to try to meet, but failing nonetheless, the Applicant's novel claimed invention. Furthermore, the claimed invention, as amended, meets the above-cited tests for obviousness by including embodiments such as allowing the agent to act on the bidder's behalf without further recourse to the bidder upon receipt of an initial set of instructions (bidding-related information). As such, all of the claims of this application are, therefore, clearly in condition for allowance, and it is respectfully requested that the Examiner pass these claims to allowance and issue.

As declared by the Federal Circuit:

> In proceedings before the U.S. Patent and Trademark Office, the Examiner bears the burden of establishing a prima facie case of obviousness based upon the prior art. The Examiner can satisfy this burden only by showing some objective teaching in the prior art or that knowledge generally available to one of ordinary skill in the art would lead that individual to combine the relevant teachings of the references. In re Fritch, 23 U.S.P.Q.2d 1780, 1783 (Fed. Cir. 1992) citing In re Fine, 5 U.S.P.Q.2d 1596, 1598 (Fed. Cir. 1988).

Here, the Examiner has not met the burden of establishing a prima facie case of obviousness. It is clear that, not only does Huberman fail to disclose all of the elements of the claims of the present invention, particularly, the partially separated spacers around the metal gate, as discussed above, but also, if combined with Johnson, fails to disclose these elements as well. The unique elements of the claimed invention are clearly an advance over the prior art.

The Federal Circuit also went on to state:

> The mere fact that the prior art may be modified in the manner suggested by the Examiner does not make the modification obvious unless the prior art suggested the desirability of the modification. . . . Here the Examiner relied upon hindsight to arrive at the determination of obviousness. It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. This court has previously stated that one cannot use hindsight reconstruction to pick and choose among isolated disclosures in the prior art to deprecate the claimed invention. Fritch at 1784-85, citing In re Gordon, 221 U.S.P.Q. 1125, 1127 (Fed. Cir. 1984).

Here, there is no suggestion that Huberman, alone or in combination with Johnson teaches a method and apparatus containing all of the limitations of the claimed invention. Consequently, there is absent the "suggestion" or "objective teaching" that would have to be made before there could be established the legally requisite "prima facie case of obviousness."

Furthermore, as previously mentioned even if Huberman were to be combined with Johnson, it would still fail to teach the novel aspects of the invention. In fact, the claimed

invention is different from Huberman or Johnson, whether alone or in combination with one another, and moreover, the invention is unobvious in light of the restrictive teachings of the prior art references of record. In view of the foregoing, the Examiner is respectfully requested to reconsider and withdraw this rejection.

II. Formal Matters and Conclusion

Therefore, the Applicant respectfully submits that amended independent claims 1, 11, 12, 22, 23, and 33 are patentable over Huberman, even if combined with Johnson. Furthermore, dependent claims 2-4, 6-10, 13-15, 17-21, 24-26, and 28-32 are similarly patentable, not only by virtue of their dependency from a patentable independent claim, but also by virtue of the additional features of the invention they define. In view of the foregoing, Applicants submit that claims 1-4, 6-15, 17-26, and 28-33, all the claims presently pending in the application, are patentably distinct from the prior art of record and are in condition for allowance. Furthermore, no new matter is presented. The Examiner is respectfully requested to pass the above application to issue at the earliest possible time.

Should the Examiner find the application to be other than in condition for allowance, the Examiner is requested to contact the undersigned at the local telephone number listed below to discuss any other changes deemed necessary. Please charge any deficiencies and credit any overpayments to Attorney's Deposit Account Number 09-0441.

Respectfully submitted,

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